Aspire Budget FAQs
August 2021

Allowable and Unallowable expenses using Aspire Funds:

In general, expenses must be reasonable, allocable and necessary (RAN) and follow the local policies & procedures. If a fiscal agent has a policy and does a background check, pays a portion of healthcare, etc. for all its employees, then Aspire staff follow those same rules – be consistent. Always start your budget questions with your agency treasurer/CFO.

Q: Background checks?
A: Yes if a requirement for employment to fulfill grant activities. This is reasonable and is likely a necessary step in the HR process to hire a new Aspire teacher/administrator.

Q: Fees for Audit?
A: Yes

Q: Fees for 990 Tax Prep?
A: No

Q: Healthcare for full time employees?
A: Yes

Q: Healthcare for part-time employees?
A: Allowable, but always consult with our local treasurer first for local policy directives.

Q: When is it acceptable to pay for mileage reimbursement?
A: Check with your treasurer for your agency policy.

Q: Short- and Long-Term Disability?
A: Yes, as this falls under fringe benefits.

Q: Life Insurance?
A: Consult with your treasurer.

Q: Third party payroll provider such as payroll processing services?
A: If it follows local policy and is a normal fiscal expense, then you charge Aspire their portion like other programs.

Q: Paying part time teachers when they aren't working? (COVID)
A: No. Staff would need to use their accrued leave for COVID. Aspire funds cannot be used to pay staff for hours they don't work.

Q: Paying part time teachers when they aren't working? (Calamity Days)
A: The State allows 5 days per year, and it may be written in the teacher's contract. If written in the contract/policy, it could be considered a required fringe benefit leave and would be allowable. Consult your treasurer.

Q: Unemployment Claims?
A: Yes

Q: Severance or retirement payout?
A: Yes, within reason.

Q: Can Severance or retirement payout be carried over into a new program year to ease the burden?
A: When a non-Federal entity uses the cash basis of accounting, the cost of leave is recognized in the period that the leave is taken and paid for. Payments for unused leave when an employee retires or terminates employment are allowable as indirect costs in the year of payment.

Q: One thing that confuses me is where to put online items like DE seats, TABE Online test administrations, GED Ready tests, and online subscriptions like News for You. Are these supplies or purchased services?
A: Supplies

Q: Do TABE Online test administrations come under support since orientation is considered Support Services?
A: TABE tests – Instruction/Supply   Staff time for administering the assessments – Support/Salaries

Q: What does encumber/encumbrance mean for spending
A: An encumbrance reserves allotment to allow for the future payment of an agency's legal obligations. *(source: Office of Budget and Management Fin source manual).* **Aspire funds must be encumbered/obligated by June 30 and liquidated/paid by Sept 30.**

Q: Is prior approval needed when a cell increases by 10% or an object code total increases by 10%?
A: **Prior approval is required if the Object Code Total (column) increases by 10% or more and/or if a cell was previous approved at $0 and is increased to any other amount.** *(Forms and References Page>Financial Management)*

Q: What is an example of Intellectual Property?
A: DRC tests, creation of lesson plans and curriculum, DE models, etc.

Q: Can Aspire funds be used to support Aspire staff members who attend events such as local Chamber meetings?
A: Yes, attending Chamber meetings can contribute to recruitment and community understanding of Aspire. It can help create new partnerships.

Q: What are some examples of programs paying taxes from Aspire funds?
A: Hotel taxes for conference stays (Federal/State), payroll taxes, taxes on supplies.

Q: Can AEFLA funds be used to pay for proctoring, such as the HSE exam?
A: No, our funding cannot support proctoring the HSE test but may be used to proctor a TABE test.

Q: If a specific site, such as a Corrections site requires certain equipment or requirements for instructors, can the grant support this?
A: Yes, because it is a requirement of the teacher who is instructing at that specific site.

Q: Can grant funds be used to pay for on-site childcare for students' children during class time?
A: Yes, as a supportive service within reason if you cannot find a partner program to pay.

Q: If a program receives a donation for something that would be considered an unallowable expense for the Aspire grant can the program still report the funds on the End of Year Financial report (formerly called schedule A) as in kind or cash?
A: No. The funds cannot be counted on the financial report as in kind or cash if they are not allowable in the grant.

Q: What are some examples of in-kind contributions to report on the End of Year Financial report to document our agency's Maintenance of Effort (local funds supporting the grant activities)?
A: When documenting in-kind contributions, please provide details on the narrative as to how the "value" was determined as in the examples below.

Local In-kind Contributions

Formula Based Description

Type of In-Kind Match	In-Kind Amount
Facility/Office Space/Classrooms	29 classrooms provided by 18 community partners which contribute an estimated value of $254,475 (675 sq. ft. x 29 x $13.00/sq. ft.)

*In this example, the program has calculated the value of a square foot to determine the value of the rooms they are utilizing. A general formula that can be used is:

(Building Price / Building Square Footage) X Individual Room Square Footage=Cost per Room)

Type of In-Kind Match	In-Kind Amount
Utilities	$200 per month x 12 months x 7 sites= **$16,800**

Type of In-Kind Match	In-Kind Amount
Custodial Services	$14 per hour x 1 hour per week x 42 weeks x 7 sites= **$4,116**

Type of In-Kind Match	In-Kind Amount
Personnel Costs (Prorated – please identify personnel by name, title, and show calculation used to determine value.) *This should include paraprofessional volunteers calculated at a comparable hourly rate if this were a paid position(s.)*	Please see attached volunteer list: 78 volunteers (6,676 total hours x $15/hr = **$100,140.00**)

Narrative Based Description

Type of In-Kind Match	In-Kind Amount
Additional Approved In-Kind Services (be specific)	Agency X will provide $322,648.00 in infrastructure support for facilities, utilities, custodial services, copying and printing, phone, Internet, and technology costs. In addition, Agency X pays support staff $8,947.00 to answer Aspire phone calls, register students and provide clerical support.

Type of In-Kind Match	In-Kind Amount**
Personnel Costs (Prorated – please identify personnel by name, title, and show calculation used to determine value.) *This should include paraprofessional volunteers calculated at a comparable hourly rate if this were a paid position(s).*	(Admin Team) • Staff #1, (12%)- $10,587.60 addtl. $4,129.16 Fringe • Staff #2, (9%)- $5,846.26 addtl. $2,280.04 Fringe (Financial Team) • Staff #3 (2%) • Staff #4 (.1 %) • Staff #5 (2%) • Staff #6 (2%) • Staff #7 (1%) $3092.00 addtl. $1206.00 Fringe Total Salary= $19,525.86 Total Fringe= $7,615.20 **Total= $27,141.06**

*In this example, the program used a time and effort reports to calculate the percentage and monetary value dedicated to Aspire.

Salary Calculation: **Total Salary x Time & Effort Percentage = Monetary Value**

Fringe Calculation: **(Total Salary x T&E Percentage) x Fiscal Agent Fringe Percentage = Monetary Value**

Note: These examples are not exhaustive. If you have a question relating to your in-kind contributions (allowability, calculation, etc.,) please reach out to your program manager.